

OF COUNSEL
JAMES B. TALLEY

RECORDATION NO. 9869-B Filed 1425

NOV 28 1978-1 45 PM

INTERSTATE COMMERCE COMMISSION November 28, 1978
FEL OPERATION BR.

JEFFREY B. TALLEY

ATTORNEY AT LAW
RECEIVED
201 W. MEMORIAL DR.
NOV 28 1978
DALLAS, GEORGIA 30132

9869
RECORDATION NO. 9869-A Filed 1425

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INTERSTATE COMMERCE COMMISSION TELEPHONE
(404) 445-6033

Secretary of the Interstate Commerce Commission
Washington, D. C. 20423

RECORDATION NO. 9869-A Filed 1425
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RE: Filing of documents under 49 CFR 101.116 et seq.

Dear Sir:

You are hereby requested to record the documents attached herewith, there being original and two counterparts or two certified true copies of each document. These documents include the following:

- 1) One promissory note
- 2) One Security Agreement (Chattel Mortgage)
- 3) One Assignment of income

The equipment covered by these documents consists of five (5) XF Type Railroad Boxcars, bearing the following identifying marks: SCTR100; SCTR101; SCTR102; SCTR103; and SCTR104.

The names and address of the respective parties to each of the documents are as follows:

1) Promissory Note

Promissor (debtor): John M. Covington, M.D.
102 Dogwood
Dallas, Georgia 30132

Promissee: The Citizens and Southern National Bank
99 Annex
Atlanta, Georgia 30399

2) Security Agreement

Mortgagor: John M. Covington, M.D.
102 Dogwood
Dallas, Georgia 30132

Mortgagee: The Citizens and Southern National Bank
99 Annex
Atlanta, Georgia 30399

3) Assignment of income

Assignor: John M. Covington, M.D.
102 Dogwood
Dallas, Georgia 30132

8-332AC52

NO.

Date NOV 28 1978

Fee \$100.00


ICC Washington, D. C.

Page Two
Secretary of the Interstate Commerce Commission
November 22, 1978

Assignee: The Citizens and Southern National Bank
99 Annex
Atlanta, Georgia 30399
Other party: Railcar, Inc.
Suite 1010
1447 Peachtree Street, N.E.
Atlanta, Georgia 30309

Please file and record these documents pursuant to
49 CFR §1116.5.

Yours truly,


Jeffrey B. Talley
Attorney for The Citizens and
Southern National Bank

JBT:ehb

Enclosures

cc: Barbara N. Day,
The Citizens and Southern National Bank

John M. Covington, M.D.

SECURITY AGREEMENT
(Chattel Mortgage)

THIS AGREEMENT, made the 21st day of November 19 78 under the laws of the state of Georgia

BETWEEN

JOHN M. COVINGTON, MD

herein called the Debtor

whose business address is (if none, write "none") 504 West Memorial Drive, Dallas, Georgia 30132

and whose residence address is 102 Dogwood Drive, Dallas, Georgia 30132

and THE CITIZENS AND SOUTHERN NATIONAL BANK

herein called the Secured Party

whose address is 99 Annex, Atlanta, Georgia 30399

WITNESSETH:

To secure the payment of an indebtedness in the amount of \$ 165,000.00 with interest, payable as follows

Interest on the daily unpaid principal balance from date until paid in full at a per annum rate two (2%) percentage points above the Holder's best interest rate for 90-day commercial loans in effect on each respective day, and all costs of collection, including fifteen percent (15%) of the principal and interest as attorney's fees if collected by law or through an attorney at law.

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INTERSTATE COMMERCE COMMISSION

as evidenced by a note or notes of even date herewith, and also to secure any other indebtedness or liability of the Debtor to the Secured Party direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, including all future advances or loans which may be made at the option of the Secured Party, (all hereinafter called the "obligations") Debtor hereby grants and conveys to the Secured Party a security interest in, and mortgages to the Secured Party,

- (a) the property described in the Schedule herein which the Debtor represents will be used primarily
- ☐ for personal, family or household purposes
 - ☐ in farming operations
 - ☒ in business or other use

(b) all property, goods and chattels of the same classes as those scheduled, acquired by the Debtor subsequent to the execution of this agreement and prior to its termination

(c) all proceeds thereof, if any,

(d) all increases, substitutions, replacements, additions and accessions thereto (the foregoing (a), (b), (c) and (d) hereinafter called the collateral).

1. DEBTOR WARRANTS, COVENANTS AND AGREES AS FOLLOWS:

- PAYMENT** 1a To pay and perform all of the obligations secured by this agreement according to their terms.
- DEFEND TITLE** 1b To defend the title to the collateral against all persons and against all claims and demands whatsoever, which collateral, except for the security interest granted hereby, is lawfully owned by the Debtor and is now free and clear of any and all liens, security interests, claims, charges, encumbrances, taxes and assessments except as may be set forth in the schedule.
- ASSURANCE OF TITLE** 1c On demand of the secured party to do the following; furnish further assurance of title, execute any written agreement or do any other acts necessary to effectuate the purposes and provisions of this agreement, execute any instrument or statement required by law or otherwise in order to perfect, continue or terminate the security interest of the Secured Party in the collateral and pay all costs of filing in connection therewith.
- POSSESSION** 1d To retain possession of the collateral during the existence of this agreement and not to sell, exchange, assign, loan, deliver, lease, mortgage or otherwise dispose of same without the written consent of the Secured Party.
- LOCATION** 1e To keep the collateral at the location specified in the schedule and not to remove same (except in the usual course of business for temporary periods) without the prior written consent of the Secured Party.
- LIENS** 1f To keep the collateral free and clear of all liens, charges, encumbrances, taxes and assessments.
- TAXES** 1g To pay, when due, all taxes, assessments and license fees relating to the collateral.
- REPAIRS** 1h To keep the collateral, at Debtor's own cost and expense, in good repair and condition and not to misuse, abuse, waste or allow to deteriorate except for normal wear and tear and to make same available for inspection by the Secured Party at all reasonable times.
- INSURANCE** 1i To keep the collateral insured against loss by fire (including extended coverage), theft and other hazards as the Secured Party may require and to obtain collision insurance if applicable. Policies shall be in such form and amounts and with such companies as the Secured Party may designate. Policies shall be obtained from responsible insurers authorized to do business in this state. Certificates of insurance or policies, payable to the respective parties as their interest may appear, shall be deposited with the Secured Party who is authorized, but under no duty, to obtain such insurance upon failure of the Debtor to do so. Debtor shall give immediate written notice to the Secured Party and to insurers of loss or damage to the collateral and shall promptly file proofs of loss with insurers. Debtor hereby appoints the Secured Party the attorney for the Debtor in obtaining, adjusting and cancelling any such insurance and endorsing settlement drafts and hereby assigns to the Secured Party all sums which may become payable under such insurance, including return premiums and dividends, as additional security for the indebtedness.

LOAN — USE OF PROCEEDS	1j If this agreement is security for a loan to be used to pay a part or all of the purchase price of the collateral; to use the proceeds of the loan to pay the purchase price, filing fees and insurance premiums. The Secured Party however, may pay the proceeds directly to the seller of the collateral.
CHANGE OF ADDRESS	1k To immediately notify the Secured Party in writing of any change in or discontinuance of Debtor's place or places of business and/or residence.
AFFIXED TO REALTY	1l That if the collateral has been attached to or is to be attached to real estate, a description of the real estate and the name and address of the record owner is set forth in the schedule herein; if the said collateral is attached to real estate prior to the perfection of the security interest granted hereby, Debtor will on demand of the Secured Party furnish the latter with a disclaimer or disclaimers, signed by all persons having an interest in the real estate, of any interest in the collateral which is prior to Secured Party's interest.
NOTES	2. GENERAL PROVISIONS: 2a Notes, if any, executed in connection with this agreement, are separate instruments and may be negotiated by Secured Party without releasing Debtor, the collateral, or any guarantor or co-maker. Debtor consents to any extension of time of payment. If there be more than one Debtor, guarantor or co-maker of this agreement or of notes secured hereby, the obligation of all shall be primary, joint and several.
NON-WAIVER	2b Waiver of or acquiescence in any default by the Debtor, or failure of the Secured Party to insist upon strict performance by the Debtor of any warranties or agreements in this security agreement, shall not constitute a waiver of any subsequent or other default or failure.
NOTICES	2c Notices to either party shall be in writing and shall be delivered personally or by mail addressed to the party at the address herein set forth or otherwise designated in writing.
LAW APPLICABLE	2d The Uniform Commercial Code shall govern the rights, duties and remedies of the parties and any provisions herein declared invalid under any law shall not invalidate any other provision or this agreement.
DEFAULT	2e The following shall constitute a default by Debtor:
non-payment	Failure to pay the principal or any installment of principal or of interest on the indebtedness or any notes when due.
violation	Failure by Debtor to comply with or perform any provision of this agreement.
misrepresentation	False or misleading representations or warranties made or given by Debtor in connection with this agreement.
levy	Subjecting of the collateral to levy of execution or other judicial process.
insolvency	Commencement of any insolvency proceeding by or against the Debtor or of any guarantor or surety for the Debtor's obligations.
death	Death of the Debtor or of any Guarantor or of surety for the Debtor's obligations.
impairment of security	Any reduction in the value of the collateral or any act of the Debtor which imperils the prospect of full performance or satisfaction of the Debtor's obligations herein.
REMEDIES ON DEFAULT	2f Upon any default of the Debtor and at the option of the Secured Party, the obligations secured by this agreement shall immediately become due and payable in full without notice or demand and the Secured Party shall have all the rights, remedies and privileges with respect to repossession, retention and sale of the collateral and disposition of the proceeds as are accorded to a Secured Party by the applicable sections of the Uniform Commercial Code respecting "Default", in effect as of the date of this Security Agreement.
acceleration	
attorneys' fees etc.	Upon any default, the Secured Party's reasonable attorneys' fees and the legal and other expenses for pursuing, searching for, receiving, taking, keeping, storing, advertising, and selling the collateral shall be chargeable to the Debtor.
deficiency	The Debtor shall remain liable for any deficiency resulting from a sale of the collateral and shall pay any such deficiency forthwith on demand.
monies advanced	If the Debtor shall default in the performance of any of the provisions of this agreement on the Debtor's part to be performed, Secured Party may perform same for the Debtor's account and any monies expended in so doing shall be chargeable with interest to the Debtor and added to the indebtedness secured hereby.
seizure	In conjunction with, addition to or substitution for those rights, Secured Party, at his discretion, may: (1) enter upon Debtor's premises peaceably by Secured Party's own means or with legal process and take possession of the collateral, or render it unusable, or dispose of the collateral on the Debtor's premises and the Debtor agrees not to resist or interfere; (2) require Debtor to assemble the collateral and make it available to the Secured Party at a place to be designated by the Secured Party, reasonably convenient to both parties (Debtor agrees that the Secured Party's address as set forth above is a place reasonably convenient for such assembling); (3) unless the collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Secured Party will give Debtor reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is to be made. The requirements of reasonable notice will be met if such notice is mailed, postage prepaid, to the address of the Debtor shown above, at least three days before the time of sale or disposition.
assembling collateral	
notice of sale	
FINANCING STATEMENT	2g Secured Party may assign this agreement and if assigned the assignee shall be entitled, upon notifying the Debtor, to performance of all of Debtor's obligations and agreements hereunder and the assignee shall be entitled to all of the rights and remedies of the Secured Party hereunder. Debtor will assert no claims or defenses Debtor may have against the Secured Party against the assignee. 2h The Secured Party is hereby authorized to file a Financing Statement.
CAPTIONS	2i The Captions are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this agreement nor the intent of any provision thereof.

The terms, warranties and agreements herein contained shall bind and inure to the benefit of the respective parties hereto, and their respective legal representatives, successors and assigns.

The gender and number used in this agreement are used as a reference term only and shall apply with the same effect whether the parties are of the masculine or feminine gender, corporate or other form, and the singular shall likewise include the plural.

This agreement may not be changed orally.

IN WITNESS WHEREOF, the Parties have respectively signed and sealed these presents the day and year first above written.

STATE OF GEORGIA
COUNTY OF PAULDING

On this 21st day of November, 1978,
before me personally appeared John
M. Covington, MD, to me known to be
the person described in and who
executed the foregoing instrument and
he acknowledged that he executed the same
as his free act and deed.

John M. Covington MD
JOHN M. COVINGTON, MD

Ellen H. Bayfield
Notary Public, Georgia, State at Large
My Commission Expires Feb. 9, 1982

SCHEDULE

Describe items of collateral, the address where each item will be located and describe any prior liens, etc., and the amounts due thereon. If items are crops or goods affixed or to be affixed to real estate describe the real estate and state the name and address of the owner of record thereof.

Items

- (1) Five (5) XF Type Railroad
Boxcars, bearing the
following indentifying
marks: SCTR100; SCTR101;
SCTR102; SCTR103; SCTR104.
Said boxcars are newly
manufactured by Constructora
Nacional De Carros De
Ferrocaril, S.A., C.D.
Sahagun, Mexico
- (2) 10,660 shares of the capital
stock of The Citizens Bank,
Dallas, Georgia, under
Certificate #606 and
Certificate #621.

Location, etc.

Each of these boxcars
will be placed into
the railroad system in
the United States by a
management company, Railcar,
Inc., and the collateral
will, from time to time,
be located at various
points in the said railroad
system.

To be held by Mortgagee at
its principal office at
35 Broad Street, Atlanta,
Georgia.

The chief place of business of the Debtor, if other than stated in this agreement, is: